

KITSOS COSTAS  
Form 4  
March 21, 2012

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**KITSOS COSTAS**

(Last) (First) (Middle)

**C/O BITSTREAM INC., 500  
NICKERSON ROAD**

(Street)

**MARLBOROUGH, MA 01752-4695**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Bitstream Inc. [BITS]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
**03/19/2012**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
**Vice Pres., Engineering**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	(A) or (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price		
Class A Common Stock	03/19/2012		M		25,000	A \$ 1.138	53,300	D
Class A Common Stock	03/19/2012		M		25,000	A \$ 3.185	78,300	D
Class A Common Stock	03/19/2012		M		15,000	D \$ 3.858	93,300	D
Class A Common	03/19/2012		D		93,300	D \$ 4.362	0	D

Stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 1.138	03/19/2012		M	25,000	08/02/2007 08/02/2014	Class A Common Stock 25,000
Employee Stock Option (right to buy)	\$ 3.185	03/19/2012		M	25,000	08/03/2009 08/03/2016	Class A Common Stock 25,000
Employee Stock Option (right to buy)	\$ 3.858	03/19/2012		M	15,000	03/19/2012 08/19/2019	Class A Common Stock 15,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KITSOS COSTAS C/O BITSTREAM INC. 500 NICKERSON ROAD MARLBOROUGH, MA 01752-4695			Vice Pres., Engineering	

## Signatures

Costas Kitsos

03/21/2012

\*\*Signature of  
Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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